

Message Text

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COMMERCE FOR BEWT

VIENNA FOR USEWTC

E.O. 11652: N/A

TAGS: ECON, CZ

SUBJECT: PERFORMANCE OF CZECHOSLOVAK ECONOMY IN 1974

REFS: A. VIENNA 0665

B. PRAGUE 209 (NOTAL)

C. PRAGUE A-17 (NOTAL)

D. PRAGUE A-22

SUMMARY FEDERAL STATISTICAL OFFICE (FSO) REPORT ON ECONOMIC RESULTS FOR 1974 WAS CARRIED IN PRESS ON JANUARY 28.

REPORT EXPRESSED GENERAL SATISFACTION WITH THE "POSITIVE DEVELOPMENT" OF THE ECONOMY DURING 1974, AND NOTED THAT "MAIN TASKS" OF STATE PLAN HAD BEEN FULFILLED.

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NATIONAL INCOME (NI) GREW 5.5 PERCENT OVER 1973, SLIGHTLY

BELOW (0.1 PERCENT) FIVE-YEAR PLAN (FYP) AVERAGE, ALTHOUGH THIS WAS NOT MENTIONED. LABOR PRODUCTIVITY INCREASED OVER PREVIOUS YEAR BY AN ESTIMATED 4.8 PERCENT (THIS FIGURE -- AT LEAST IN INDUSTRY-- WAS WELL BELOW FYP ANNUAL AVERAGE OF 6 PERCENT), ACCOUNTING FOR 87 PERCENT OF INCREMENT IN NL. WORK FORCE GREW BY 1.4 PERCENT OVER 1973. IN INDUSTRY, OUTPUT WAS UP 6.2 PERCENT (FYP CALLED FOR ANNUAL GROWTH OF BETWEEN 6.8 AND 7.2 PERCENT; NOT MENTIONED IN REPORT). IN COMPARISON WITH 1973, ENGINEERING INDUSTRY OUTPUT WAS UP 8.5 PERCENT (PLAN, 9.0 PERCENT), BUILDING MATERIALS UP 8.2 PERCENT (PLAN, 10 PERCENT), NON-FERROUS METALLURGY UP 7.7 PERCENT, TIMBER PROCESSING UP 7.6 PERCENT, CHEMICAL INDUSTRY UP 6.5 PERCENT OVERALL (FYP AVERAGE CALLED FOR 12 PERCENT ANNUAL GROWTH), FERROUS METALLURGY UP 5.1 PERCENT (STEEL OUTPUT UP 3.7 PERCENT), CONSUMER GOODS PRODUCTION INCREASED 5.8 PERCENT (0.9 PERCENT ABOVE PLAN), FOOD PROCESSING INDUSTRY GREW 4.7 PERCENT (1.1 PERCENT ABOVE FYP ANNUAL AVERAGE). IN AGRICULTURE, TOTAL PRODUCTION WAS 3.0 PERCENT HIGHER THAN IN 1973 AND RIGHT ON TARGET ACCORDING TO FYP. AGRICULTURE WAS, WITH CERTAIN EXCEPTIONS (I.E. FRUITS AND VEGETABLES, OILS AND RAPESEEDS FELL BELOW PLANNED TARGETS) ONE OF BRIGHTEST SPOTS IN ECONOMY'S PERFORMANCE IN 1974. IN CONSTRUCTION, ALTHOUGH HALF A MILLION WORKERS PRESENTLY ENGAGED IN CONSTRUCTION PROJECTS OF ALL KINDS, SERIOUS LAGS CONTINUE TO EXIST ESPECIALLY IN INVESTMENT (CAPITAL) PROJECTS WHICH, ALTHOUGH UP 8.7 PERCENT OVER 1973, FELL NEARLY 2 PERCENT BEHIND ALREADY REDUCED PLAN TARGETS. SURPRISINGLY LITTLE SPACE DEVOTED TO FOREIGN TRADE RESULTS FOR 1974, REPORT NOTING ONLY THAT TRADE WITH CEMA NEIGHBORS DEVELOPING RAPIDLY -- SOVIET UNION ACCOUNTING FOR ROUGHLY ONE-THIRD OF TOTAL TRADE TURNOVER. HIGH GROWTH RATE IN TRADE WITH CAPITALIST COUNTRIES (NO FIGURES GIVEN) EXPLAINED AS RESULTING FROM "STRIKING RISE IN PRICES" IN WEST. (LATTER FACT CLEARLY CAUSED COMPLICATIONS FOR MORE RAPID PLANNED LIMITED OFFICIAL USE

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GROWTH OF TRADE WITH EASTERN PARTNERS THAN WITH WEST UNDER FYP.) DOMESTICALLY, RETAIL TURNOVER EXCEEDED PLAN BY ALMOST 2.0 PERCENT. ACCORDING TO REPORT, CONSUMER PRICES REMAINED STABLE AT 1970 LEVELS (ALTHOUGH EMBASSY NOTES STATE SUBSIDIES TO ALL SECTORS ROSE DRAMATICALLY DURING YEAR). IN FACT, INFLATION DOES NOT APPEAR TO HAVE CAUSED PROBLEMS AT CONSUMER LEVEL, ALTHOUGH LACK OF GOODS

AND RISING WAGES CAUSED ALREADY HIGH SAVINGS RATE TO CONTINUE.

IN ENERGY, ELECTRICITY PRODUCTION WAS UP 4.9 PERCENT (BUT CONSTRUCTION OF NEW CAPACITY REMAINED SERIOUSLY BEHIND PLAN); COAL OUTPUT INCREASED SLIGHTLY OVER 1973 TO 110.1 MILLION TONS AND HEATING OIL OUTPUT WAS UP 9.5 PERCENT OVER 1973.

IN SUM, REPORT DRAWS PICTURE OF ECONOMY IN WHICH FORWARD MOMENTUM HAS BEEN MAINTAINED, BUT NOT, DESPITE SOMEWHAT MUTED EXPRESSION OF SATISFACTION BY GOVERNMENT, AS FAST AS DICTATED BY PLAN IN ALL SECTORS. IN SEVERAL SECTORS THERE WILL BE A NEED IN 1975 FOR MAXIMUM EFFORT IF FYP TARGETS ARE TO BE MET THUS ENABLING SIXTH FYP (1976-1980) TO BE LAUNCHED WITHOUT GREATER THAN NORMAL DEFICITS ALREADY BUILT IN.
END SUMMARY

1. MACROECONOMIC INDICATORS:

FEDERAL STATISTICAL OFFICE (FSO) PUBLISHED ECONOMIC RESULTS FOR 1974 IN PRESS JANUARY 28. KEY MACRO-ECONOMIC INDICATORS IN 1974 WERE REPORTED TO HAVE GROWN IN COMPARISON WITH 1973 AS FOLLOWS: NATIONAL INCOME (OR NI, NEWLY-CREATED MATERIAL VALUE MANUFACTURED DURING YEAR), 5.5 PERCENT; PRODUCTION CONSUMPTION (TOTAL CONSUMPTION OF FACTORS OF PRODUCTION IN CREATION OF SOCIAL PRODUCT), 5.0 PERCENT; SOCIAL PRODUCT (TOTAL VALUE OF PRODUCTS AND SERVICES, INCLUDING MEANS OF PRODUCTION AND CONSUMER ARTICLES, PRODUCED IN PRODUCTIVE SECTORS OF ECONOMY DURING YEAR), 5.2 PERCENT. SOCIAL PRODUCT IS DEFINED IN VALUE TERMS AS SUM OF NI AND PRODUCTION CONSUMPTION, THUS REPORT NOTES THAT FOR FIRST TIME IN SEVERAL YEARS THERE WAS REDUCTION OF MATERIAL COSTS IN CREATION OF NATIONAL LIMITED OFFICIAL USE

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INCOME, I.E. THE RATE OF PRODUCTION CONSUMPTION GREW LESS THAN INCREASE IN NI. HIGHER ECONOMIES WERE REPORTEDLY DKFECTED BY "SLOWING DOWN" RATE OF CONSUMPTION OF RAW MATERIALS AND ENERGY IN ALL PRODUCTION SECTORS OF ECONOMY.

2. MACROECONOMIC INDICATORS (CONTINUED):

LABOR PRODUCTIVITY FOR 1974 IS ESTIMATED TO HAVE GROWN BY 4.8 PERCENT OVER 1973.6 --:97,58,& *94 87 PERCENT OF INCREMENTAL GROWTH IN NI, THE REMAINING 13 PERCENT GROWTH IN NI ACCOUNTED FOR BY INCREASED SIZE OF LABOR FORCE. TOTAL WORK FORCE GREW TO 7,3"5,000 PERSONS, UP 1.4 PERCENT, ALTHOUGH THIS FIGURE INCLUDES 300,000 WOMEN ON MATERNITY LEAVE. OVERALL AVERAGE NON-AGRICULTURAL WAGES INCREASED 3.4 PERCENT OVER 1973 --

ONE PERCENTAGE POINT HIGHER THAN PLANNED -- TO
2,234 CZECH CROWNS (KCS.), BUT STILL LESS THAN RATE
OF GROWTH IN LABOR PRODUCTIVITY. JOB ABSENTEEISM
FROM ILLNESS AND INJURY DROPPED TO 4.07 PERCENT (DOWN
CONSIDERABLY FROM HEIGHTS ATTAINED NINE YEARS IMMEDIATELY
FOLLOWING 1968, BUT STILL HIGH ENOUGH TO BE A
SOURCE OF SERIOUS CONCERN TO INDUSTRY MANAGERS.)

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3. INDUSTRIAL SECTORS:

IN COMPARISON WITH 1973, INDUSTRIAL PRODUCTION IN-
CREASED BY 6.2 PERCENT. LEADING SECTORS WERE:
ENGINEERING (8.5 PERCENT); BUILDING MATERIALS (8.2
PERCENT); NON-FERROUS METALLURGY (7.7 PERCENT); AND
TIMBER PROCESSING (7.6 PERCENT). INDUSTRY PLAN FOR
1974 WAS OVERFULFILLED IN BOTH NATIONAL REPUBLICS;
BUT PRODUCTION ROSE 9.9 PERCENT IN SLOVAKIA COMPARED
WITH 1973, AND ONLY 5.1 PERCENT IN CZECH LANDS. ALL
WAS NOT ROSY, HOWEVER, AS SOME 81 INDUSTRIAL ENTERPRISES
FAILED TO FULFILL THEIR PLANNED PRODUCTION QUOTAS.

(ALTHOUGH REPORT HASTENS TO NOTE THAT TOTAL SHORTFALL OF THESE FIRMS ACCOUNTED FOR LESS THAN ONE-HALF OF ONE PERCENT OF TOTAL INDUSTRIAL OUTPUT FOR YEAR, PRESS REPORTED JANUARY 29 THAT LAGGARD ENTERPRISES MADE UP FIFTH OF ALL PRODUCTION UNITS.) IN SELECTED INDUSTRY SECTORS GROWTH RATES WERE AS FOLLOWS:

A. MATALLURGICAL INDUSTRY 1974/73

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MINING AND PROCESSING OF ORES 8.1 PERCENT
NON-FERROUS METALLURGY 7.7 PERCENT
FERROUS METALLURGY 5.1 PERCENT
OF WHICH, RUDE STEEL 3.7 PERCENT
(PLAN FULFILLED IN ALL ABOVE SECTORS.)

B. CHEMICAL INDUSTRY

(PRODUCTION BREAKDOWNS AND CONSTRUCTION BOTTLE-NECKS WERE BLAMED FOR LOWER THAN PLANNED GROWTH RATE.)
OUTPUT OF SELECTED CHEMICAL PRODUCTS GREW OVER 1973
AS FOLLOWS:

PLASTIC MATERIALS, TOTAL 9.5 PERCENT
POLYVINYLCHLORIDE 23.2 PERCENT
POLYAMIDE TEXTILE SILK 20.3 PERCENT
POLYPROPYLENE FABRIC 13.4 PERCENT
NITROGEN FERTILIZERS 9.9 PERCENT
SYNTHETIC RUBBER TIRES 7.6 PERCENT

C. CONSUMER INDUSTRY

COMPARED WITH 1973, PRODUCTION OF CONSUMER GOODS INCREASED BY 5.8 PERCENT, 0.9 PERCENT HIGHER THAN PLANNED. (REPORT BLANDLY NOTES, HOWEVER, THAT CONSUMER GOODS DID NOT ALWAYS CORRESPOND TO DEMAND AND SHORTCOMINGS IN "RANGE" OF SUPPLIES " WERE EVIDENT" FOOD INDUSTRY OUTPUT WAS UP 4.7 PERCENT OVER 1973, WITH MEAT PRODUCTION GROWING FASTEST AT 6.6 PERCENT.

4. AGRICULTURE:

AGRICULTURE OUTPUT GREW BY 3.0 PERCENT OVER 1973, WITHIN PLAN TARGET. (SEE REFTELS A AND B FOR DETAILED REPORTS.)

5. SELECTED PRODUCTION DATA FOR 1974 ARE SHOWN BELOW, GROWTH RATE OVER 1973 SHOWN IN PARENTHESES (ALL TONS ARE METRIC):

PIG IRON 8,905,000 TONS (PLUS 4.3)
CRUDE STEEL 13,640,00 TONS (PLUS 3.7)
ROLLED STEEL 9,574,00 TONS (PLUS 4.4)
NIGROGEN FERTILIZERS 385,400 TONS (PLUS 9.9)
PHOSPHORUS FERTILIZERS (P2O5) 336,000 TONS (-0.1)
AUTOMOBILE TIRES 2,749,000 PCS (PLUS 7.6)

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PLASTICS 389,800 TONS (PLUS 9.5)
CHEMICAL FIBERS 131,300 TONS (PLUS 5.2)
PRIVATE CARS 168,701 (PLUS 2.6)
SPARE PARTS FOR CARS 411,000,000 KCS (PLUS 19.4)
TRUCKS 30,125 (PLUSV 9.4)
TRACTORS 27,065 (PLUS 12.9)
OTHER AGRICULTURES MACHINES 1,442 (PLUS 8.2)
CEMENT 8,967,000 TONS (PLUS 7.0)
LIME 2,788,000 TONS (PLUS 5.9)
SOFTWOOD 3,444,000 CUBIC METERS GKPLUS 6.9)
PAPER 661,000 TONS (PLUS 2.2)
HOUSEHOLD REFRIGERATORS 279,000 (PLUS 0.3)
HOUSEHOLD WASHING MACHINES 228,000 (PLUS 9.8)
TELEVISION SETS 409,000 (PLUS 7.5)
FURNITURE 4,244,000,000 KCS (PLUS 9.6)
COTTON TEXTILES 556,000,000 METERS (PLUS 0.6)
LEATHER FOOTWEAR 55,714,000,000 PARIS (-2.0)
MEAT 805,000 TONS (PLUS 7.5)
MILK 943,000,000 LITERS (-8.0)
BUTTER 111,000 TONS (-3.0)
BEER 22,138,000 HECTOLITERS (-0.6)

6. CONSTRUCTION INDUSTRY:

NOT UNEXPECTEDLY, GROWTH IN BUILDING AND CONSTRUCTION
BARELY EXCEEDED (0.9 PERCENT) PLAN FOR YEAR, AS INVESTMENT
CONSTRUCTION CONTINUED TO POSE SEEMINGLY INSURMOUNTABLE
PROBLEMS FOR STATE. CAPITAL CONSTRUCTION FELL 1.9
PERCENT BEHIND PLAN GOALS WHICH HAD ALREADY BEEN
TRIMMED FOR 1974 IN ANTICIPATION OF DIFFICULTIES; AND
PERFORMANCE IN CZECH LANDS, PARTICULARLY PRAGUE, WAS
WORST. CONCERTED DRIVE TO CONCENTRATE EFFORTS AT MOST
IMPORTANT SITES, RPROJECTS BUT STRONG OFFICIAL
COMPLAINTS PERSISIT OVER UNECONOMIC ALLOCATION OF BASIC
PRODUCTION FUNDS AND CONTINUING "PRESSURE TO INCREASE
BUDGETARY COSTS." WITH 523,000 WORKERS ALREADY ENGAGED
IN CONSTRUCTION IN A LABOR-POOR ECONOMY, PLANERS ARE
EVIDENTLY CONCERNED OVER LOW PRODUCTIVITY INCREASE IN
ECONOMY-WIDE). CONSTRUCTION BOTTLENECKS CONTINUE TO
ACT AS BRAKE ON PLANNED EXPANSION OF CHEMICAL.
ENGINEERING AND POWER GENERATION INDUSTRIES.

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7. FOREIGN TRADE:

REPORT DISMISSES TOPIC OF FOREIGN TRADE IN TWO SHORT PARAGRAPHS, NOTING ONLY THAT GOODS EXCHANGE WITH CEMA COUNTRIES DEVELOPED RAPIDLY, WITH USSR NOW ACCOUNTING FOR ONE-THIRD OF TOTAL CZECH TRADE WITH WORLD. AS REGARDS CAPITALIST COUNTRIES, TRADE ROSE DRAMATICALLY DUE PRIMARILY TO STEEP RISE IN PRICES IN WEST. (FOREIGN TRADE MINISTER BARCAK PROVIDED MORE DETAILS ON TRADE PICTURE IN ADDRESS TO PRAGUE DIPLOMATIC CORPS JANUARY 28. TOTAL TRADE TURNOVER WAS 23.2 PERCENT OVER 1973; 14.5 PERCENT HIGHER WITH SOCIALIST COUNTRIES, AND 34.7 PERCENT HIGHER WITH CAPITALIST AND DEVELOPING COUNTRIES. DC SHARE OF TOTAL CZECH TRADE WAS ONLY 9 PERCENT. EXPORTS INCREASED 20.5 PERCENT OVERALL; 10.6 PERCENT TO SOCIALIST PARTNERS, AND 33.9 PERCENT TO CAPITALIST STATES. IMPORTS INCREASED BY 25.9 PERCENT OVERALL; 18.5 PERCENT FROM SOCIALIST COUNTRIES, AND 35.5 PERCENT FROM CAPITALIST STATES. THE PLAN

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APPEARS TO HAVE BEEN EXCEEDED BY WIDE MARGINS IN TOTAL TURNOVER TRADE, BUT OFFICIAL WORRIES OVER RISING DEFICITS ARE BEGINNING TO APPEAR IN PRESS AND

ELSEWHERE (SEE ESP, REF C). CONTINUING TREND OF PAST TWO YEARS, TRADE WITH SOCIALIST STATES HAS NOW FALLEN BELOW TWO-THIRDS SHARE OF TOTAL, WITH CAPITALIST SHARE OF TRADE NOW "ROUGHLY ONE-THIRD." AS FOR TRADE WITH U.S., EMBASSY NOTES THAT, ALTHOUGH DEPARTMENT OF COMMERCE 10-MONTH DATA SHOW PROBABILITY OF FIRST CZECH SURPLUS IN SEVERAL YEARS, OFFICIAL CZECH STATISTICS SHOW COMPLETELY DIFFERENT PICTURE WITH 9-MONTH IMPORTS FROM U.S. OUTSTRIPPING CZECH EXPORTS BY RATIO OF THREE TO ONE -- IMPORTS 634 MILLION KCS.; EXPORTS, 211 MILLION KCS. EXPLANATION APPARENTLY LIES IN ENTREPOT TRADE INVOLVING SHIPMENTS OF AGRICULTURAL COMMODITIES ON U.S. ACCOUNT PRINCIPALLY THROUGH DUTCH AND OTHER WEST EUROPEAN PORTS.)

8. DOMESTIC TRADE TURNOVER:

RETAIL TURNOVER INCREASED 7.5 PERCENT OVER 1973, EXCEEDING PLANNED GROWTH BY 1.9 PERCENT. PERSONAL CONSUMPTION CLIMBED SIX PERCENT OVER 1973, THE MOST RAPID ANNUAL GROWTH IN ANY YEAR OF CURRENT FYP. MONETARY INCOMES OF POPULACE GREW 4.3 PERCENT IN COMPARISON WITH 1973. AVERAGE MONTHLY NON-AGRICULTURAL WAGES ROSE 3.4 PERCENT TO 2,234 KCS. WAGE RATES THUS CLIMBED MORE SLOWLY THAN LABOR PRODUCTIVITY (PLUS 4.8 PERCENT) AND REPORT PROMINENTLY STATES THAT LEVEL OF RETAIL PRICES IN 1974 REMAINED STABILIZED AT JANUARY 1970 LEVEL. (IN FACT, INFLATION AT CONSUMER LEVEL REMAINS LOW IN COMPARISON WITH CONDITIONS IN WEST BUT PENT-UP PURCHASING POWER CONTINUED TO MOUNT WORRISOMELY AS TOTAL SAVING IN 1974 CLIMBED 8,800 MILLION KCS. HIGHER, OR APPROXIMATELY 9 PERCENT THAN IN 1973. AS REGARDS PRICE STABILITY, EMBASSY NOTES THAT TOTAL SUBSIDIES TO PRODUCTION UNITS IN ALL SECTORS OF ECONOMY NOW EXCEED 30 PERCENT OF STATE BUDGET -- 73.2 BILLION KCS. OUT OF A 239 BILLION KCS. PROPOSED BUDGET IN 1975. (OUR DATA ARE NOT CONCLUSIVE, BUT THIS APPEARS TO BE A DRAMATIC INCREASE OVER 1970 LEVELS.)

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9 ENERGY:

ELECTRICITY OUTPUT INCREASED 4.8 PERCENT OVER 1973 TO 56,035 MILLION KILOWATT HOURS. (PLAN FULFILLMENT NOT MENTIONED BUT FYP CALLED FOR INSTALLATION OF ADDITIONAL 3,700 MEGAWATTS IN POWER GENERATION CAPACITY. AS NOTED REF C, IN ORDER TO MEET FYP TARGET, 1,400 MW CAPACITY MUST BE COMPLETED IN 1975, SUGGESTING THAT SERIOUS PROBLEMS EXIST IN THIS KEY SECTOR.) FYP GOALS TO SHIFT ENERGY BASE INCREASINGLY TO LIQUID FUELS AND NATURAL GAS HAVE BEEN DEALT

SEVERE BLOW BY ENERGY CRISIS. THUS, COAL MINED IN 1974 MATCHED 1973 OUTPUT AT JUST OVER 110 MILLION TONS (75 PERCENT BROWN COAL AND LIGNITE; 25 PERCENT BLACK COAL) AND DID NOT DECLINE AS PERCENTAGE OF OVERALL ENERGY PRODUCTION. HEATING OIL OUTPUT INCREASED 9.5 PERCENT OVER 1973, AND SAVINGS WERE EFFECTED IN COKE CONSUMPTION AMOUNTING TO 358,000 TONS OF STANDARD FUEL UNITS. DOMESTIC GAS OUTPUT GREW ONLY SLIGHTLY OVER 1973 LEVELS TO 3,273 MILLION CUBIC METERS.

10. COMMENT:

LEADERSHIP COMMENTS ON ECONOMY'S PERFORMANCE IN 1974 BOTH BEFORE AND AFTER PUBLICATION OF FSO REPORT HAVE STRESSED SATISFACTION OVER CONTINUED "POSITIVE DEVELOPMENT" OF ECONOMY, A STANDARD BUT RATHER MUTED ECONOMY WHICH MASKS MANY PROBLEMS. TO BE SURE, MANY, IF NOT MOST, OF MAJOR PLAN INDICATORS WERE MET IN 1974, BUT IN SEVERAL INSTANCES THE TARGETS THEMSELVES MUST BE JUDGED AS MODEST GOALS WHICH CONTINUE TO BE BASED ON QUANTITATIVE RATHER THAN QUALITATIVE CRITERIA. JUDGED BY A FLURRY OF REPORTS APPEARING IN PRESS DURING RECENT DAYS AND WEEKS, THERE IS CONSIDERABLE UNHAPPINESS IN HIGH PLACES OVER ECONOMIC SHORTCOMINGS, INCLUDING INEFFICIENT USE OF CAPITAL RESOURCES, WIDESPREAD ATTEMPTS ON PART OF MANY INDUSTRIAL BRANCHES TO CIRCUMVENT PLAN IMPERATIVES BY VARIOUS (SOMETIMES INGENIOUS) DEVICES, POOR WORK DISCIPLINE IN PLANTS AND OFFICES AND LACK OF WORKER INITIATIVE. INCREASED ATTENTION, SHORT OF BASIC REFORM, IS BEING GIVEN TO WAYS OF REINVIGORATING MANAGEMENT AT THE "MIDDLE" LEVEL. IN THIS AREA, A KEY EMERGING PROBLEM IS FAILURE OF LIMITED OFFICIAL USE

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ENTERPRISES TO MEET CONTRACTUAL OBLIGATIONS WHICH UNDULY SNAP PRODUCTION SCHEDULES.

ALL IN ALL, THE ECONOMY'S PERFORMANCE IN 1974, WHILE APPARENTLY ACCEPTABLE TO AN EASILY-SATISFIED LEADERSHIP HAS HARDLY INSTILLED EUPHORIA AMONG TOP- AND MIDDLE-LEVEL PLANNERS WHOSE TASK IT IS TO DRAW UP GOALS FOR THE SIXTH FYP (1976-1980). UNLESS SERIOUS BOTTLENECKS IN SEVERAL KEY SECTORS CAN BE CLEARED UP IN 1975, WHICH SEEMS UNLIKELY, THE AUGURIES FOR THE NEXT FYP HARDLY SEEM AUSPICIOUS.

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